



The CFO as the enterprise decision engine

Why pharma and medtech finance functions are being rebuilt and what the next 24 months demand



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Key takeaways

Pharma and medtech CFOs often have to navigate a very complex business environment. From portfolio investments and pricing pressure to manufacturing strategy and AI adoption, the pace and stakes of their decision-making continue to rise. The organizations pulling ahead are the ones that can rely on finance as an enterprise decision engine by utilizing its data, insight, and judgment to help the business allocate capital more effectively, respond faster to change, and create long-term value.

- **The pharma and medtech CFO mandate is expanding.** Finance is increasingly expected to influence portfolio, pricing, manufacturing, and capital allocation decisions—not just report outcomes.
- **Traditional efficiency levers in many instances are no longer enough.** AI and automation create new capacity, but value comes from redesigning how finance operates and supports decisions.
- **Data remains the critical foundation.** Many of today's organizations struggle to scale analytics and AI because of fragmented systems, inconsistent data, and disconnected processes.
- **Industry leading finance organizations are moving closer to the decision.** They are embedding finance into portfolio, launch, pricing, and network decisions while automating routine work.
- **The next 24 months matter.** CFOs that act now can enable finance to help generate growth, protect margins, and allocate capital more effectively.

02

The new demands on pharma and medtech finance

Across our work with pharma and medtech CFOs, one observation keeps recurring: The mandate of the finance function has expanded faster than its operating model. Capital decisions that once moved on annual cycles now move continuously. Margin protection has shifted from an accounting estimate into a strategic lever. The manufacturing network—once an operational concern—now lands on the CFO's desk before it lands on operations. As a CFO or other top finance executive in the sector, your role has become, in effect, your enterprise's decision engine. The question is whether your company's finance function was built to enable that role.

The mandate of the finance function has expanded faster than its operating model.

For many pharma and life sciences organizations, the answer is no—not yet. Still, the path forward is clearer than the noise around 'AI transformation' suggests. It begins with naming the structural shifts you're already feeling.

In practice, you're now expected to answer questions finance was not traditionally the lead voice on. *Which clinical assets deserve continued R&D investment? How should the manufacturing network evolve under new trade and tariff realities? Which launches warrant incremental commercial spend? Where are pricing changes eroding margin faster than we can model them? Which acquisitions create scalable value versus operational drag?* These are the questions often defining the modern pharma CFO mandate—and they require a finance function the old operating model wasn't built to provide.

At the same time, organizations are faced with significant cost pressures. In an effort to lead during these challenging times, you're being asked to deliver these incremental capabilities with fewer resources.



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What is driving the CFO mandate?

Finance sits at the center of the shift to navigate more decisions in real time.

Four forces are increasing the stakes for pharma and life sciences



- **Capital is underwritten bet-by-bet, not budget-by-budget.** Loss of Exclusivity (LOE) cliffs, pipeline-fill M&A, and the rising cost of late-stage clinical bets have turned annual capital allocation into continuous portfolio choice. Finance owns the underwriting—often with incomplete data and accelerating timelines. In medtech, the equivalent pressure is the trade-off between R&D platform investment and capacity expansion.
- **Margin protection now lives inside gross-to-net (GTN).** Medicare negotiation impact and payer mix have turned GTN from a quarterly estimate into a strategic lever. Finance owns the model, and the boardroom now expects weekly—not quarterly—visibility into where margin is eroding and why.
- **The manufacturing network is a financial asset, not a back office.** Tariff exposure, biologics capacity, supply-chain reshoring, and the working-capital implications of network design now reach the CFO before they reach operations. The financial implications of where you make what—and under which trade regime—sit squarely with finance.

- **The bottleneck is often the data foundation, not the analytics.** Multiple ERPs from M&A, fragmented commercial data, and inconsistent product and customer masters can slow each forecast, scenario, and AI use case. In our experience, most stalled finance AI pilots in pharma and life sciences trace back to data—not to the model.

Our perspective

These four factors are not independent. Each one can increase the cost of getting decisions wrong, accelerates the cadence at which decisions should be made, and concentrate accountability inside the finance function. The CFOs we see pulling ahead are the ones who recognized this pattern early—and started rebuilding the operating model before the next crisis forced it.



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How can finance move from cost center to enterprise decision engine?

For two decades, pharma and medtech finance organizations chased efficiency. They offshored, outsourced, standardized, and automated. By the early 2020s, those levers reached terminal value. Finance was leaner, but also boxed in. It became a cost center fluent in efficiency, increasingly disconnected from the strategic decisions reshaping the business.

What's changed is the arrival of a fundamentally different productivity unlock. Agentic AI—particularly the capabilities now in production for record-to-report, order-to-cash, and procure-to-pay—is creating capacity at a scale earlier waves of automation could not. The productivity gain is real, but the more important shift is what that capacity makes possible. With execution handled by agents, finance professionals are freed to do the thing pharma CFOs have wanted them to do for years: Shape decisions, not just record them.

AI is expanding the scope of automatable work and accelerating the shift from traditional efficiency



Two finance functions, one organization

The mental model we share with CFOs is this: A modern pharma and medtech finance function operates as two integrated layers—a silicon layer of agentic capability that runs transactional and rules-based work and a carbon layer of human judgment that orchestrates capital, margin, and operational decisions. The silicon layer creates the capacity while the carbon layer directs it. Without that shift, finance organizations remain designed for what the old architecture rewarded—monthly reporting cycles, reactive forecasting, spreadsheet-driven reconciliation, and siloed planning. The new capacity gets absorbed by the old way of working.

Silicon finance (what agents do)	Carbon finance (what humans do)
• Autonomous close, reconciliations, controls • Continuous cash positioning and covenant monitoring • Real-time pricing and margin signal detection • Cross-agent orchestration across R2R, O2C, P2P • Anomaly detection and confidence scoring	• Capital allocation and portfolio underwriting • GTN and pricing strategy • Network design and capacity trade-offs • M&A diligence and integration leadership • Business partnering with commercial and ops

What this looks like in pharma specifically

In a pharma finance function operating in this model, the silicon layer reconciles intercompany balances across legal entities continuously—not at month-end—while the carbon layer uses that real-time view to model pricing scenarios and preempt margin erosion. The silicon layer ingests CTMS data and generates clinical-trial accruals with single-digit variance; while the carbon layer redeploys the capacity that used to go into accrual estimation toward portfolio sensitivity analysis. The silicon layer handles vendor inquiry and AP exceptions while the carbon layer redeploys senior finance talent into launch readiness and network design conversations.

This is not a future-state slide. We've actually seen the use cases we cite in production today at pharma and medtech finance organizations. What separates leaders from laggards isn't access to the technology—it's the operating-model decisions that determine whether new capacity is captured or wasted.

Real examples of impact

	 Predictive forecasting (life sciences)	 Cash visibility (life sciences)	 AP automation (global pharma)	 Gross to net automation (global pharma)
Challenge	Limited forward visibility across portfolio	Fragmented global cash view	Manual, high-volume processes	Manual, high-volume processes
Action	AI-enabled forecasting with integrated data	Centralized, AI-driven cash forecasting	Agentic AI for invoice processing and inquiries	Centralized, single-source of truth, automated data GTN forecasting, and accruals management
Impact	Improved forecast accuracy and decision confidence	Real-time liquidity insight and risk visibility	Significant capacity unlocked for higher-value work	Increased efficiency, insights, and improved accrual accuracy



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Four moves separating leaders from laggards

From the engagements we are running today, four operating-model moves consistently distinguish between the pharma and life sciences finance functions, creating strategic optionality from those defending the status quo. These are not transformation programs; they are decisions a CFO can make in the next quarter that compound over the next 24 months.

- 1 Move finance into the decisions, not just the reporting cycle.** Get finance into capital allocation, launch readiness, GTN strategy, and network design before they're finalized, not in the QBR retrospective. The structural barrier is rarely capability; it's decision-rights design. Industry-leading CFOs redesign cadences, roles, and committee composition so finance participates in making decisions rather than reviewing their consequences.
- 2 Industrialize the data foundation before scaling AI.** Decide whether finance owns the enterprise data foundation or knowingly consumes others' data—then align ERP, master data, and reporting to that choice. The CFOs we see pulling ahead often made the data foundation decision deliberately.
- 3 Deploy AI where the unit economics are proven, then expand.** The patterns producing measurable return in pharma and medtech finance today include predictive forecasting that integrates clinical, commercial, and operational data; AI-enabled cash visibility across the fragmented ERPs that M&A leaves behind; and agentic AP and vendor inquiry that frees capacity for business partnering. Start where the economics are proven and resist the temptation to pilot throughout the entire organization.
- 4 Redesign the operating model around insight, not effort.** Retire reports that don't help drive decisions and redeploy that capacity into scenario planning, sensitivity analysis, and business partnering. Pair the structural change with reskilling in analytics, AI fluency, and commercial acumen. Capability gains without operating-model change rarely stick.

What we leave with CFOs

What **you build over the next 24 months** can determine your finance function into the next decade. The CFOs we see making the significant progress are not the ones with the biggest AI budgets. Rather, they are the ones who treated the operating-model decision as the strategic decision, and who refused to scale technology faster than the foundation could carry it.

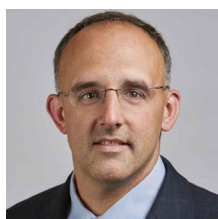




About this point of view

This perspective draws on PwC's work with leading pharma, life sciences, and medtech finance organizations on operating-model transformation, agentic AI deployment, ERP and finance data consolidation and gross-to-net strategy. For a conversation on what these moves look like inside your finance function, contact your PwC engagement team.

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